



February 28, 2003

## SENATE BILL No. 405

DIGEST OF SB 405 (Updated February 27, 2003 10:57 AM - DI 110)

**Citations Affected:** IC 9-13; IC 9-17; IC 9-18; IC 9-22; IC 9-23; IC 9-29.

**Synopsis:** Motor vehicle documentation and sales. Requires a motor vehicle dealer, under certain circumstances, to furnish a valid certificate of title to a purchaser or transferee not more than 50 days after the date of sale or transfer. Requires an assembled vehicle to bear an identification number and requires certain information on its certificate of title. Requires permission from the bureau of motor vehicles (BMV) to place a special identification number on a motor vehicle that does not bear its original or unaltered identification number. Requires a third party to deliver notification of satisfaction of a lien within 30 days of receipt of lien payment. Repeals language regarding procedure for an application to the BMV for a missing manufacturer's identification number on a motor vehicle. Requires an insurance company to apply to the BMV for a certificate of salvage title for certain salvaged or stolen vehicles. Provides that the BMV may not issue an offsite sale license to certain motor vehicle dealers. Makes it an unfair practice for a person to act as a broker in the advertising, buying, or selling of at least 12 new or used vehicles per year. Makes conforming amendments.

**Effective:** July 1, 2003.

**Clark, Merritt**

January 21, 2003, read first time and referred to Committee on Commerce and Consumer Affairs.  
February 27, 2003, amended, reported favorably — Do Pass.

SB 405—LS 7441/DI 96+



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February 28, 2003

First Regular Session 113th General Assembly (2003)

PRINTING CODE. Amendments: Whenever an existing statute (or a section of the Indiana Constitution) is being amended, the text of the existing provision will appear in this style type, additions will appear in **this style type**, and deletions will appear in ~~this style type~~.

Additions: Whenever a new statutory provision is being enacted (or a new constitutional provision adopted), the text of the new provision will appear in **this style type**. Also, the word **NEW** will appear in that style type in the introductory clause of each SECTION that adds a new provision to the Indiana Code or the Indiana Constitution.

Conflict reconciliation: Text in a statute in *this style type* or ~~this style type~~ reconciles conflicts between statutes enacted by the 2002 Regular or Special Session of the General Assembly.

## SENATE BILL No. 405

A BILL FOR AN ACT to amend the Indiana Code concerning motor vehicles.

*Be it enacted by the General Assembly of the State of Indiana:*

1 SECTION 1. IC 9-13-2-5.5 IS ADDED TO THE INDIANA CODE  
2 AS A **NEW** SECTION TO READ AS FOLLOWS [EFFECTIVE JULY  
3 1, 2003]: **Sec. 5.5. "Assembled vehicle", for purposes of IC 9-17-4,**  
4 **has the meaning set forth in IC 9-17-4-0.3.**

5 SECTION 2. IC 9-13-2-15 IS AMENDED TO READ AS  
6 FOLLOWS [EFFECTIVE JULY 1, 2003]: Sec. 15. "Broker", ~~means a~~  
7 ~~person who, for a fee, commission, or other valuable consideration,~~  
8 ~~arranges or offers to arrange a transaction involving the sale, for~~  
9 ~~purposes other than resale, of a new motor vehicle and who is not:~~

10 (1) a dealer or an employee of a dealer;  
11 (2) a distributor or an employee of a distributor; or  
12 (3) at any point in the transaction, the bona fide owner of the  
13 vehicle involved in the transaction: **for purposes of IC 9-23-3,**  
14 **has the meaning set forth in IC 9-23-3-0.3.**

15 SECTION 3. IC 9-13-2-75 IS AMENDED TO READ AS  
16 FOLLOWS [EFFECTIVE JULY 1, 2003]: Sec. 75. **(a)** "Identification  
17 number", for purposes of IC 9-18-8-15, has the meaning set forth in

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1 IC 9-18-8-15(b).

2 **(b) "Identification number", for purposes of IC 9-17-4, has the**  
 3 **meaning set forth in IC 9-17-4-0.5.**

4 SECTION 4. IC 9-13-2-177.5 IS ADDED TO THE INDIANA  
 5 CODE AS A **NEW** SECTION TO READ AS FOLLOWS  
 6 [EFFECTIVE JULY 1, 2003]: **Sec. 177.5. "Third party", for**  
 7 **purposes of IC 9-17-3, has the meaning set forth in IC 9-17-3-0.5.**

8 SECTION 5. IC 9-13-2-185 IS AMENDED TO READ AS  
 9 FOLLOWS [EFFECTIVE JULY 1, 2003]: **Sec. 185. "Transfer dealer"**  
 10 **means a person other than a dealer, manufacturer, or wholesale dealer**  
 11 **or broker who has the necessity of transferring a minimum of twelve**  
 12 **(12) motor vehicles during a license year as part of the transfer dealer's**  
 13 **primary business function.**

14 SECTION 6. IC 9-17-3-0.5 IS ADDED TO THE INDIANA CODE  
 15 AS A **NEW** SECTION TO READ AS FOLLOWS [EFFECTIVE JULY  
 16 1, 2003]: **Sec. 0.5. As used in this chapter, "third party" means a**  
 17 **person having possession of a certificate of title for a:**

- 18 **(1) motor vehicle;**
- 19 **(2) semitrailer; or**
- 20 **(3) recreational vehicle;**

21 **because the person has a lien or an encumbrance indicated on the**  
 22 **certificate of title.**

23 SECTION 7. IC 9-17-3-3 IS AMENDED TO READ AS FOLLOWS  
 24 [EFFECTIVE JULY 1, 2003]: **Sec. 3. (a) If a vehicle for which a**  
 25 **certificate of title has been issued is sold or ~~has~~ if the ownership of the**  
 26 **vehicle is otherwise transferred, the person who holds the certificate**  
 27 **of title must do the following:**

- 28 **(1) Endorse on the certificate of title an assignment of the**  
 29 **certificate of title with warranty of title, in a form printed on the**  
 30 **certificate of title, with a statement describing all liens or**  
 31 **encumbrances on the vehicle.**
- 32 **(2) Except as provided in subdivisions (3), and (4), and (5),**  
 33 **deliver the certificate of title to the purchaser or transferee at the**  
 34 **time of the sale or delivery to the purchaser or transferee of the**  
 35 **vehicle, if the purchaser or transferee has made all agreed upon**  
 36 **initial payments for the vehicle, including delivery of a trade-in**  
 37 **vehicle without hidden or undisclosed statutory liens.**
- 38 **(3) In the case of a sale or transfer between vehicle dealers**  
 39 **licensed by this state or another state, deliver the certificate of**  
 40 **title within twenty-one (21) days after the date of the sale or**  
 41 **transfer.**
- 42 **(4) Deliver the certificate of title to the purchaser or transferee**



within twenty-one (21) days after the date of sale **or transfer** to the purchaser or transferee of the vehicle, if all of the following conditions exist:

(A) The seller or transferor is a vehicle dealer licensed by the state under IC 9-23.

(B) The vehicle dealer is not able to deliver the certificate of title at the time of sale **or transfer**.

(C) The vehicle dealer reasonably believes that it will be able to deliver the **certificate of** title, without a lien or an encumbrance on the **certificate of** title, within the twenty-one (21) day period.

(D) The vehicle dealer provides the purchaser or transferee with an affidavit under section 3.1 of this chapter.

(E) The purchaser or transferee has made all agreed upon initial payments for the vehicle, including delivery of a trade-in vehicle without hidden or undisclosed statutory liens.

**(5) Deliver the certificate of title to the purchaser or transferee not later than fifty (50) days after the date of sale or transfer of the vehicle, if all of the following conditions exist:**

(A) The seller or transferor is a vehicle dealer licensed by the state under IC 9-23-2.

(B) The vehicle dealer is not able to deliver the certificate of title at the time of sale or transfer.

(C) The vehicle dealer has a written verification from a third party that holds the title regarding the inability of the third party to deliver the title within twenty-one (21) days.

(D) The vehicle dealer provides the purchaser or transferee with an affidavit under section 3.1 of this chapter.

(E) The purchaser or transferee has made all agreed upon initial payments for the vehicle, including delivery of a trade-in vehicle without hidden or undisclosed statutory liens.

(b) A licensed dealer may offer for sale a vehicle for which the dealer does not possess a certificate of title, if the dealer can comply with subsection (a)(3), ~~or~~ (a)(4), **or (a)(5)** at the time of the sale.

(c) A third party holding a certificate of title indicating a lien must deliver to the owner, purchaser, transferee, or additional lienholder, whichever is appropriate, a lien release on the certificate of title or a written notification of satisfaction of lien and written verification of any title withholding policy within thirty



**(30) days after receipt of the lien satisfaction payment.**

**(d) For purposes of this subsection, "timely deliver" means to deliver not more than thirty (30) days after receipt of payment to satisfy a lien that is indicated on a certificate of title.** A vehicle dealer who fails to deliver a certificate of title within the time specified under this section is subject to the following civil penalties:

- (1) One hundred dollars (\$100) for the first violation.
- (2) Two hundred fifty dollars (\$250) for the second violation.
- (3) Five hundred dollars (\$500) for all subsequent violations.

Payment shall be made to the bureau and deposited in the state general fund. In addition, if a purchaser or transferee does not receive a valid certificate of title within the time specified by this section, the purchaser or transferee shall have the right to return the vehicle to the vehicle dealer ten (10) days after giving the vehicle dealer written notice demanding delivery of a valid ~~title~~ **certificate of title** and the dealer's failure to deliver a valid ~~title~~ **certificate of title** within that ten (10) day period. Upon return of the vehicle to the dealer in the same or similar condition as delivered to the purchaser or transferee under this section, the vehicle dealer shall pay to the purchaser or transferee the purchase price plus sales taxes, finance expenses, insurance expenses, and any other amount paid to the dealer by the purchaser. If the dealer's inability to timely deliver a valid certificate of title results from the acts or omissions of a third party who has failed to timely deliver a valid certificate of title to the dealer, the dealer is entitled to claim against the third party all damages sustained by the dealer in rescinding the dealer's sale with the purchaser or transferee, including the dealer's reasonable attorney's fees.

~~(d)~~ **(e)** If a vehicle for which a certificate of title has been issued by another state is sold or delivered, the person selling or delivering the vehicle must deliver to the purchaser or receiver of the vehicle a proper certificate of title with an assignment of the certificate of title in a form prescribed by the bureau.

~~(e)~~ **(f)** The original certificate of title and all assignments and subsequent reissues of the certificate of title shall be retained by the bureau and appropriately classified and indexed in the most convenient manner to trace title to the vehicle described in the certificate of title.

SECTION 8. IC 9-17-3-3.1 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2003]: Sec. 3.1. The affidavit required by IC 9-17-3-3(a)(4) shall be printed in the following form:

STATE OF

INDIANA

)

) ss:

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COUNTY OF \_\_\_\_\_ )

I affirm under the penalties for perjury that all of the following are true:

(1) That I am a dealer licensed under IC 9-23-1.

(2) That I cannot deliver a valid certificate of title to the retail purchaser of the vehicle described in paragraph (3) at the time of sale of the vehicle to the retail purchaser. The identity of the previous seller or transferor is \_\_\_\_\_.

I expect to deliver a valid and transferable certificate of title ~~on~~ ~~or about (day)~~ \_\_\_\_\_ **not later than** (date) \_\_\_\_\_ from the (State of) \_\_\_\_\_ to the purchaser.

(3) That I will undertake reasonable commercial efforts to produce the valid certificate of title. The vehicle identification number is \_\_\_\_\_.

Signed \_\_\_\_\_, Dealer

By \_\_\_\_\_

Dated \_\_\_\_\_, \_\_\_\_\_

CUSTOMER ACKNOWLEDGES RECEIPT OF A COPY OF THIS AFFIDAVIT.

\_\_\_\_\_  
Customer Signature

#### NOTICE TO THE CUSTOMER

**"If you do not receive a valid certificate of title within the time specified by this affidavit, you have the right to return the vehicle to the vehicle dealer ten (10) days after giving the vehicle dealer written notice demanding delivery of a valid certificate of title and after the vehicle dealer's failure to deliver a valid certificate of title within that ten (10) day period. Upon return of the vehicle to the vehicle dealer in the same or similar condition as when it was delivered to you, the vehicle dealer shall pay you the purchase price plus sales taxes, finance expenses, insurance expenses, and any other amount that you paid to the vehicle dealer."**

SECTION 9. IC 9-17-4-0.3 IS ADDED TO THE INDIANA CODE AS A NEW SECTION TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2003]: **Sec. 0.3. As used in this chapter, "assembled vehicle" means:**

**(1) a motor vehicle, excluding a motorcycle, that has had the:**

**(A) frame;**

**(B) chassis;**

**(C) cab; or**

**(D) body;**



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replaced; or  
 (2) a motorcycle that has had the:  
 (A) frame; or  
 (B) engine;  
 replaced.

The term includes but is not limited to glider kits, fiberglass body kits, and vehicle reproductions or replicas and includes motor vehicles that have visible and original vehicle identification numbers.

SECTION 10. IC 9-17-4-0.5 IS ADDED TO THE INDIANA CODE AS A NEW SECTION TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2003]: Sec. 0.5. As used in this chapter, "identification number" means a distinguishing number assigned by the bureau to a privately assembled motor vehicle, semitrailer, or recreational vehicle.

SECTION 11. IC 9-17-4-1 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2003]: Sec. 1. If a motor vehicle, semitrailer, or recreational vehicle has been built, constructed, or assembled by the person who owns the motor vehicle, semitrailer, or recreational vehicle, the person shall: ~~attach to the person's application for a certificate of title an affidavit stating that the motor vehicle, semitrailer, or recreational vehicle was built, constructed, or assembled by the person:~~

- (1) indicate on a form provided by the bureau the major component parts that have been used to assemble the motor vehicle, semitrailer, or recreational vehicle;
- (2) make application through the bureau for an identification number for the motor vehicle, semitrailer, or recreational vehicle;
- (3) after receipt of the identification number described in subdivision (2), stamp or attach the identification number received from the bureau in the manner provided in section 2(2) of this chapter; and
- (4) apply for a certificate of title for the motor vehicle, semitrailer, or recreational vehicle from the bureau.

SECTION 12. IC 9-17-4-2 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2003]: Sec. 2. A certificate of title may not be issued for a privately assembled motor vehicle, semitrailer, or recreational vehicle that does not have a distinctive identification number stamped on the motor vehicle, semitrailer, or recreational vehicle or permanently attached to the motor vehicle, semitrailer, or recreational vehicle until the person who owns the motor vehicle,



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semitrailer, or recreational vehicle has:

- (1) obtained from the bureau an identification number designated by the bureau; and
- (2) stamped **or permanently attached** the identification number in a conspicuous place on the frame of the motor vehicle, semitrailer, or recreational vehicle.

SECTION 13. IC 9-17-4-4 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2003]: Sec. 4. A certificate of title issued under this chapter must contain the following:

- (1) A description and other evidence of identification of the motor vehicle, semitrailer, or recreational vehicle as required by the bureau.
- (2) A statement of any liens or encumbrances that the application shows to be on the certificate of title.
- (3) The appropriate notation prominently recorded on the front of the title as follows:**

**(A) For a vehicle assembled using all new vehicle parts, excluding the vehicle frame, "ASSEMBLED VEHICLE".**

**(B) For a vehicle assembled using used parts, "REBUILT VEHICLE".**

**(C) For a vehicle assembled using a salvage vehicle or parts, "REBUILT SALVAGE".**

SECTION 14. IC 9-17-4-6 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2003]: Sec. 6. (a) Except as provided under subsection (b), a person who violates this chapter commits a Class C infraction.

(b) A person who knowingly damages, removes, covers, or alters a ~~special engine~~ **an identification** number commits a Class C felony.

SECTION 15. IC 9-18-8-1 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2003]: Sec. 1. As used in this chapter, "motor vehicle part" means: ~~the~~

~~(1) engine;~~

**(1) for a motorcycle:**

**(A) a frame; or**

**(B) an engine;**

~~(2) frame;~~

**(2) for a passenger motor vehicle, a:**

**(A) frame;**

**(B) chassis; or**

**(C) body;**

~~(3) chassis;~~

**(3) for a truck or a tractor, a:**



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- 1 (A) frame;  
 2 (B) chassis;  
 3 (C) cab; or  
 4 (D) body; or  
 5 (4) for a trailer, semitrailer, or recreational vehicle, a:  
 6 (A) chassis; or  
 7 (B) body;

8 of ~~a~~ the motor vehicle.

9 SECTION 16. IC 9-18-8-5 IS AMENDED TO READ AS  
 10 FOLLOWS [EFFECTIVE JULY 1, 2003]: Sec. 5. (a) Upon receipt of  
 11 an application, together with the fee specified under IC 9-29 for a  
 12 special identification number, the bureau shall issue to the person who  
 13 submitted the application written permission to make or stamp a  
 14 special identification number in a place on the motor vehicle to be  
 15 designated by the bureau.

16 (b) **If the original identification number is on the vehicle or**  
 17 **visible, the new special identification number must be affixed so as**  
 18 **not to cover the original identification number.**

19 SECTION 17. IC 9-18-8-9 IS AMENDED TO READ AS  
 20 FOLLOWS [EFFECTIVE JULY 1, 2003]: Sec. 9. (a) The bureau may  
 21 not register a motor vehicle without an identification number or issue  
 22 a ~~license plate~~ **certificate of title** for the operation of a motor vehicle  
 23 except as specified under this chapter.

24 (b) This section does not prevent a manufacturer or a manufacturer's  
 25 agent, other than a dealer, from doing the manufacturer's own  
 26 numbering on motor vehicles ~~of or~~ parts removed or changed and  
 27 replacing the numbered parts.

28 SECTION 18. IC 9-18-8-10 IS AMENDED TO READ AS  
 29 FOLLOWS [EFFECTIVE JULY 1, 2003]: Sec. 10. (a) Before issuing  
 30 a ~~license plate~~ **certificate of title**, the bureau shall require the person  
 31 applying for the ~~license plate~~ **certificate of title** to sign a statement that  
 32 the special identification number assigned to be placed on the motor  
 33 vehicle has been put on in a workmanlike manner.

34 (b) The statement described under subsection (a) shall be certified  
 35 by:

- 36 (1) a chief of police;  
 37 (2) a sheriff; or  
 38 (3) another convenient peace officer;

39 that the chief of police, sheriff, or peace officer has inspected the motor  
 40 vehicle and found the identification number to be attached to the motor  
 41 vehicle as required by this chapter.

42 (c) This section does not prevent a manufacturer or a manufacturer's

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agent, other than a dealer, from doing the manufacturer's own numbering on motor vehicles ~~of or~~ parts removed or changed and replacing the numbered parts.

SECTION 19. IC 9-18-8-16 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2003]: Sec. 16. (a) A person who operates a motor vehicle on which the **engine identification** number has been removed, defaced, destroyed, obliterated, or concealed, when application has not been made to the bureau for permission to put on a new number, commits a Class C infraction.

(b) If a person who violates subsection (a) cannot, to the satisfaction of the court, establish the person's ownership of the motor vehicle, the motor vehicle shall be confiscated by the court and sold. The proceeds from the sale shall be used to pay the fine and costs of prosecution, and the balance, if any, shall be deposited in the motor vehicle highway account fund.

(c) If the fine and costs are not paid within thirty (30) days after judgment is rendered under this section, the court shall proceed to advertise and sell the motor vehicle in the manner provided by law for the sale of personal property under execution.

(d) If at any time the motor vehicle remains in the custody of the court or the court's officers under this section the owner appears and establishes the owner's title to the motor vehicle to the satisfaction of the court, the motor vehicle shall be returned to the owner. The owner shall then make application for and may obtain ~~a special engine an~~ **identification number and title** as provided in ~~IC 9-17-4-5. IC 9-17-4.~~ The owner may then use the motor vehicle upon proper registration.

SECTION 20. IC 9-18-26-10 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2003]: Sec. 10. (a) The bureau may issue an interim license plate to a dealer or manufacturer who is licensed and has been issued a license plate under section 1 of this chapter.

(b) The bureau shall prescribe the form of an interim license plate issued under this section. However, a plate must bear the assigned registration number and provide sufficient space for the expiration date as provided in subsection (c).

(c) Whenever a dealer or manufacturer sells a motor vehicle, the dealer or manufacturer may provide the buyer with an interim license plate. The dealer shall, in the manner provided by the bureau, affix on the plate in numerals and letters at least three (3) inches high the date on which the interim license plate expires.

(d) An interim license plate authorizes a motor vehicle owner to operate the vehicle for a maximum period of thirty-one (31) days after

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the date of delivery of the vehicle to the vehicle's owner or until a regular license plate is issued, whichever occurs first.

(e) **An interim license plate issued under this section may be renewed one (1) time only for a period of twenty (20) days, if the vehicle dealer:**

**(1) is unable to deliver the certificate of title; and**

**(2) satisfies the conditions set forth in IC 9-17-3-3(a)(5)(C) and IC 9-17-3-3(a)(5)(D).**

(f) A motor vehicle that is required by law to display license plates on the front and rear of the vehicle is only required to display a single interim plate.

SECTION 21. IC 9-22-3-11 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2003]: Sec. 11. (a) This section applies to the following persons:

(1) An insurance company ~~or other person~~ that has acquired a wrecked or damaged motor vehicle, motorcycle, semitrailer, or recreational vehicle that meets at least one (1) of the criteria set forth in section 3 of this chapter and the ownership of which is not evidenced by a certificate of salvage title.

(2) An insurance company that has made and paid an agreed settlement for the loss of a stolen motor vehicle, motorcycle, semitrailer, or recreational vehicle.

(b) A person who owns or holds a lien upon a vehicle described in subsection (a) shall assign the certificate of title to the ~~person~~ **insurance company** described in subsection (a). The insurance company ~~or other person~~ shall apply to the bureau within thirty-one (31) days after receipt of the certificate of title for a certificate of salvage title for each salvage or stolen vehicle subject to this chapter. The insurance company ~~or other person~~ shall surrender the certificate of title to the department and pay the fee prescribed under IC 9-29-7 for a certificate of salvage title.

~~(c) A person who was the owner of a motor vehicle, motorcycle, semitrailer, or recreational vehicle at the time that the vehicle became wrecked or damaged may not be considered to have acquired that vehicle within the meaning of this section.~~

SECTION 22. IC 9-23-2-1 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2003]: Sec. 1. The following persons must be licensed under this article to engage in the business of buying or selling motor vehicles:

(1) An automobile auctioneer.

~~(2) A broker.~~

~~(3)~~ **(2)** A converter manufacturer.

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- (4) (3) A dealer.
- (5) (4) A distributor.
- (6) (5) A distributor branch.
- (7) (6) A distributor representative.
- (8) (7) A factory branch.
- (9) (8) A factory representative.
- (10) (9) A manufacturer.
- (11) (10) A transfer dealer.
- (12) (11) A wholesale dealer.

SECTION 23. IC 9-23-2-5 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2003]: Sec. 5. The license issued to a factory representative or distributor representative must state the name of the employer. Within ten (10) days after a change of employer, the holder shall mail the license to the bureau and indicate the name and address of the holder's new employer. The bureau shall endorse the change on the license and return the license to the licensee in care of the licensee's new employer. A factory representative, distributor representative, ~~or wholesale dealer or broker~~ must have a license when engaged in business and shall display the license upon request. A temporary license for a factory representative ~~or distributor representative or broker~~ may be issued for a period up to one hundred twenty (120) days pending investigation by the bureau of the applicant's qualification for a license.

SECTION 24. IC 9-23-2-7 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2003]: Sec. 7. (a) Except as provided in ~~subsection~~ **subsections (b) and (c)**, the bureau shall issue an offsite sales license to a dealer licensed under this chapter not later than forty-five (45) days after receipt of the application for the license. License applications under this section shall be made public upon the request of any person. The term of the offsite sales license is not to exceed ten (10) days.

(b) The bureau may not issue an offsite sales license to a dealer who does not have an established place of business within Indiana.

**(c) The bureau may not issue an offsite sales license to a licensed dealer proposing to conduct the sale outside a radius of twenty (20) miles from its established place of business. This subsection does not apply to new manufactured housing dealers or recreational vehicle dealers.**

**(d)** The requirements of section 2(c) of this chapter do not apply to the application or issuance of an offsite sales license under this section.

SECTION 25. IC 9-23-3-0.3 IS ADDED TO THE INDIANA CODE AS A **NEW** SECTION TO READ AS FOLLOWS [EFFECTIVE JULY

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1, 2003]: **Sec. 0.3.** As used in this chapter, "broker" means a person who, for a fee, a commission, or other valuable consideration, arranges or offers to arrange a transaction involving the sale, for purposes other than resale, of a new or used motor vehicle and who is not:

- (1) a dealer or an employee of a dealer;
- (2) a distributor or an employee of a distributor; or
- (3) at any point in the transaction, the bona fide owner of the vehicle involved in the transaction.

SECTION 26. IC 9-23-3-19 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2003]: Sec. 19. It is an unfair practice for an automobile auctioneer, a wholesale dealer, ~~or a transfer dealer, or a broker,~~ in connection with the auctioneer's ~~or dealer's or broker's~~ business, to use false, deceptive, or misleading advertising or to engage in deceptive acts or practices.

SECTION 27. IC 9-23-3-25 IS ADDED TO THE INDIANA CODE AS A **NEW** SECTION TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2003]: **Sec. 25.** It is an unfair practice for a person to:

- (1) act as;
- (2) offer to act as; or
- (3) profess to be;

**a broker in the advertising, buying, or selling of at least twelve (12) new or used vehicles per year.**

SECTION 28. IC 9-29-8-4 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2003]: Sec. 4. The fee for a factory representative, distributor representative, wholesale dealer, transfer dealer, ~~or converter manufacturer or broker~~ under IC 9-23-2 is twenty dollars (\$20).

SECTION 29. IC 9-17-4-5 IS REPEALED [EFFECTIVE JULY 1, 2003].

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SENATE MOTION

Mr. President: I move that Senator Merritt be added as second author of Senate Bill 405.

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## COMMITTEE REPORT

Mr. President: The Senate Committee on Commerce and Consumer Affairs, to which was referred Senate Bill No. 405, has had the same under consideration and begs leave to report the same back to the Senate with the recommendation that said bill be AMENDED as follows:

Page 2, line 32, after "(3)" insert ",."

Page 2, line 32, strike "and".

Page 2, line 32, after "(4)," insert "**and (5),**".

Page 3, line 1, reset in roman "twenty-one (21)".

Page 3, line 1, delete "fifty (50)".

Page 3, line 10, reset in roman "twenty-one".

Page 3, line 11, reset in roman "(21)".

Page 3, line 11, delete "fifty (50)".

Page 3, line 12, delete "If the seller or transferor is unable to deliver the".

Page 3, delete line 13.

Page 3, line 14, delete "or transfer, the" and insert "The".

Page 3, between lines 18 and 19, begin a new line block indented and insert:

**"(5) Deliver the certificate of title to the purchaser or transferee not later than fifty (50) days after the date of sale or transfer of the vehicle, if all of the following conditions exist:**

**(A) The seller or transferor is a vehicle dealer licensed by the state under IC 9-23-2.**

**(B) The vehicle dealer is not able to deliver the certificate of title at the time of sale or transfer.**

**(C) The vehicle dealer has a written verification from a third party that holds the title regarding the inability of the third party to deliver the title within twenty-one (21) days.**

**(D) The vehicle dealer provides the purchaser or transferee with an affidavit under section 3.1 of this chapter.**

**(E) The purchaser or transferee has made all agreed upon initial payments for the vehicle, including delivery of a trade-in vehicle without hidden or undisclosed statutory liens."**

Page 3, line 21, after "(a)(3)" insert ",."

Page 3, line 21, strike "or".

Page 3, line 21, after "(a)(4)" insert ", **or (a)(5)**".

Page 3, line 22, after "(c)" insert "**A third party holding a**

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certificate of title indicating a lien must deliver to the owner, purchaser, transferee, or additional lienholder, whichever is appropriate, a lien release on the certificate of title or a written notification of satisfaction of lien and written verification of any title withholding policy within thirty (30) days after receipt of the lien satisfaction payment.

(d) For purposes of this subsection, "timely deliver" means to deliver not more than thirty (30) days after receipt of payment to satisfy a lien that is indicated on a certificate of title."

Page 4, line 4, strike "(d)" and insert "(e)".

Page 4, line 9, strike "(e)" and insert "(f)".

Page 7, line 1, delete "knowingly".

Page 7, line 2, reset in roman "Class C infraction."

Page 7, line 2, delete "Class D felony."

Page 9, line 25, delete "follows" and insert "**satisfies**".

Page 9, line 25, delete "procedure" and insert "**conditions**".

Page 9, line 25, delete "9-17-3-3(a)(4)(D)." and insert "**9-17-3-3(a)(5)(C) and IC 9-17-3-3(a)(5)(D).**".

Page 9, line 26, begin a new paragraph beginning with "(f)".

and when so amended that said bill do pass.

(Reference is to SB 405 as introduced.)

SERVER, Chairperson

Committee Vote: Yeas 7, Nays 1.

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